

The complaint

Mr and Mrs H complain about how U K Insurance Limited (UKI) trading as Direct Line dealt with a claim on their home insurance policy.

Mr and Mrs H are represented on this complaint but for ease of reading, I've referred to Mr and Mrs H throughout.

What happened

Mr and Mrs H's home suffered flood damage, so they claimed on their policy with UKI. The claim was accepted and UKI arranged to start the repairs. While the repairs were completed Mr and Mrs H were provided with alternative accommodation. After 11 months in alternative accommodation Mr and Mrs H returned to their home.

Upon returning, it was discovered some of the work completed by UKI wasn't completed correctly. UKI reviewed this and rectified the poor workmanship. Mr and Mrs H still thought work hadn't been completed correctly and said UKI should also cover the claim for a door damaged by the flood. Unhappy with how UKI had dealt with the claim Mr and Mrs H complained.

UKI reviewed the complaint and partly upheld it. It agreed some of the work hadn't been carried out to an acceptable standard but said this was being corrected. However, UKI stood by its position that the door to the lean-to wasn't covered by the policy as the main cause of damage wasn't related to the flood. UKI paid Mr and Mrs H £250 to compensate for the poor claim handling. Unhappy with UKI's response Mr and Mrs H referred their complaint here.

Our investigator reviewed the complaint and recommended UKI increase the compensation to £450, to compensate Mr and Mrs H for the distress and inconvenience caused. However, he found the door to the lean-to hadn't been damaged by the flood and so wasn't covered. He also found that it had previously been accepted by Mr and Mrs H that the door wasn't covered, and so he didn't ask UKI to do anything else in relation to it.

UKI accepted our investigator's outcome, but Mr and Mrs H didn't agree. They said there was another leak which had been caused by UKI when the work was completed. They referred to a leak in the wall behind a toilet. Our investigator reviewed this and found UKI was investigating the cause of the leak as a new claim as it couldn't see it was related to poor workmanship, which our investigator thought was fair and reasonable.

Mr and Mrs H didn't and asked for an ombudsman's decision. They said UKI had caused a leak behind the toilet which needed repairing and there had been poor workmanship which needed correcting. In particular they referred to the Parquet flooring, the quality of paint used, and the distress and inconvenience caused by this.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and

reasonable in the circumstances of this complaint.

The terms and conditions of Mr and Mrs H's policy cover them for certain events. The one in question here is a flood claim which is covered by the policy. UKI has accepted and dealt with the claim. I understand that Mr and Mrs H aren't happy with how the claim has been dealt with and feel the door to the lean-to should also be covered. UKI has sent photos of the door which indicate the door was not damaged in the flood as there is damage to the top of it, I've also seen e-mail correspondence from Mr and Mrs H accepting this and agreeing it's not covered. I'm therefore not persuaded UKI has done anything wrong in declining the claim for the door.

I've also considered the poor workmanship; this has resulted in Mr and Mrs H's floor needing to be torn up and re-laid, along with other remedial work to their property. I understand alternative accommodation was offered to them which they declined. However, this additional unnecessary distress and inconvenience was only caused by UKI's poor workmanship. Therefore, UKI should compensate for the unnecessary distress and inconvenience caused from putting it right. UKI has agreed to pay Mr and Mrs H £450, this includes the £250 already paid. I'm satisfied this is a fair and reasonable amount, UKI therefore needs to pay the additional amount if not already done so. I say this as Mr and Mrs H had the option of going to alternative accommodation but opted to stay in the property and while the work was disrupting, I'm satisfied this is fair and reasonable compensation for it.

I've also considered the leak behind the toilet. Mr and Mrs H have provided a video which shows in the gap between the wall behind the toilet there is a considerable leak. I can also see UKI investigated this and is of the opinion it's not related to the claim and therefore needs to carry out a trace and access. I've reviewed UKI's comments on this along with the video footage and I'm satisfied there isn't sufficient evidence to say the leak was caused by UKI's poor workmanship. So, until the cause of the leak has been discovered, I'm not persuaded UKI dealing with it as a separate claim is unreasonable. I'm therefore not going to tell it to do anything more in relation to the leak.

My final decision

For the reasons explained above, my final decision is that I uphold this complaint in part. I require U K Insurance Limited trading as Direct Line to pay Mr and Mrs H £450 for distress and inconvenience, this includes the £250 already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H and Mrs H to accept or reject my decision before 18 August 2023.

Alex Newman
Ombudsman